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THE ANDHRA PRADESH GAZETTE

PUBLISHED BY AUTHORITY

PART II EXTRAORDINARY

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NOTIFICATIONS BY HEADS OF DEPARTMENTS, Etc.

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HIGH COURT OF JUDICATURE AT HYDERABAD FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH

ARBITRATION CENTRE (DOMESTIC AND INTERNATIONAL) HIGH COURT OF JUDICATURE AT HYDERABAD FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH, RULES 2015.

THE ARBITRATION CENTRE (DOMESTIC AND INTERNATIONAL), HIGH COURT OF JUDICATURE AT HYDERABAD FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH RULES, 2015.

Index

NOTIFICATION No.38/2016

PREAMBLE

ROC.No. 2680/SO/2016.- WHEREAS the establishment of *the Arbitration Centre (Domestic and International), High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh,* is an initiative of the High Court at Hyderabad.

AND WHEREAS these Rules are framed and duly approved by the High Court of Judicature at Hyderabad for the state of Telangana and the State of Andhra Pradesh.

PRELIMINARY

1. **Title -** These Rules shall be titled "*The Arbitration Centre (Domestic and International), High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh Rules, 2015".*

1. 1. These Rules shall come into force on this the 25 day of November, 2015.

2. **Definitions -** (1) In these rules, unless the context otherwise requires,

(a) "Act" means the Arbitration and Conciliation Act, 1996 and the amendments thereto or any re-enactment thereof;

(b) "Arbitral Award" includes an interim, a partial or a preliminary award;

(c) "Arbitrator" means a person appointed as an Arbitrator in terms of the Act or under these Rules;

(d) "Centre" means Arbitration Centre, High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh (Domestic and International) and such other places where centres may be established.

(e) "President" means a sitting Judge of the High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh nominated by the Chief Justice of the High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh under these Rules;

(f) "Board of Governors" means the Governors nominated by the Chief Justice of the High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh under these Rules;

(g) "Panel of Arbitrators" means the Panel of Arbitrators constituted in accordance with these Rules.

(h) "Dispute" includes differences;

(i) "Director" and "Deputy Director" means the persons appointed as such under these Rules.

(j) "Directorate" means the body consisting of The Director, The Deputy Directors, The Staff and Research Assistants of the Centre.

(k) "Confirming Party" means a party to an arbitration agreement who has signed the Terms of Reference.

(l) "High Court" means the High Court of Judicature at Hyderabad for the State of Telangana and the State Andhra Pradesh.

(m) "Joint Memorandum" means a memorandum jointly signed by the parties in the format as provided at Schedule-I.

(n) "Arbitral Tribunal" means a Tribunal consisting of one or more odd number of Arbitrators, not exceeding five, chosen from out of the Panel of Arbitrators of the Centre.

(o) "Request" means a written communication to the Centre to initiate arbitration proceedings in accordance with these Rules.

(p) "Research Assistant" means a person holding a Degree in Law from a recognized University and controlled as an Advocate under the Advocates Act, 1961 and who has been in practice for not less than three years and chosen to assist the Directorate and the Arbitrators.

(q) "Expert" means a person who is specialized in a particular subject or field, appointed under these Rules to assist the Arbitral Tribunal.

(r) "Rules" means the Arbitration Centre (Domestic and International), High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh Rules, 2015.

(2) The words and phrases not defined in these Rules shall bear the same meaning as defined under the Act.

2A. The Chief Justice of the High Court shall be the Patron-in-Chief of the Arbitration Centre (Domestic and International) High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh.

PART - I

BOARD OF GOVERNORS

3. Board of Governors

(1) There shall be a Board of Governors consisting of Members as under:

(a) Five Judges of the High Court of whom, one shall be the President, to be nominated by the Chief Justice of the High Court.

(b) The Director shall be the Member Secretary of the Board of Governors, without any voting rights, and shall convene the meetings of the Board of Governors as may be desired by the President, or the senior most Governor in the absence of the President.

(c) The meetings of the Board of Governors shall be presided over by the President, or the senior most Governor in the absence of the President.

(d) The Board of Governors shall meet as and when required but at least once in two months.

4. Powers of the Board of Governors:-

(1) To take all such decisions as may be warranted for the smooth and effective functioning of the Centre.

(2) To formulate Rules for the internal management of the Centre, to frame guidelines and generally to monitor and oversee the administration of the Centre.

(3) To recommend any amendment to the Arbitration Centre (Domestic and International), High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh Rules 2015.

(4) To constitute the Panel of Arbitrators.

(5) To fix or revise the Arbitrators fee.

(6) To remove an Arbitrator from the panel if :

(a) any complaint of breach of duty or misconduct is received against him or her and the Board of Governors is of the opinion, after giving due opportunity of hearing to him or her, that it would be expedient and in the interest of the Centre not to continue such person on its Panel of Arbitrators;

or

(b) he or she is declared to be of unsound mind or becomes incapacitated;

or

(c) he or she has incurred any disqualification under the Act.

or

(d) for any other reason or reasons as may be found by the Board of Governors warranting such removal.

7. To appoint as many Research Assistants as may be necessary in order to assist the Directorate and the Arbitrators and to fix their tenure and for valid reasons to terminate their services before the expiry of the tenure and to decide the honorarium to be paid to them.

8. To consider the request of any other Arbitration Centre or Institution established under the aegis of the Supreme Court of India or the High Court of any other State, to hold the sittings of arbitration proceedings pending before such institutions at the Centre on such terms and conditions and on a reciprocal basis, without, however, dislocating any prior commitment of the Centre.

PART - II

THE DIRECTORATE

5. (1) There shall be a Directorate to supervise and manage the day to day affairs of the High Court Arbitration Centre (Domestic and International) and shall consist of:

(a) A serving District Judge under the control of the High Court shall be appointed by the Chief Justice of the High Court, as Director. He will be in-charge of the Centre and act under the supervision of the Board of Governors.

(b) Not more than two serving Judicial Officers under the control of the High Court, shall be appointed by the Chief Justice of the High Court as Deputy Directors. They shall work under the supervision of the Director.

(c) Such staff as may be appointed or deputed by the Chief Justice of the High Court.

(d) Such number of Research Assistants as may be appointed by the Board of Governors to assist the Directorate and the arbitrators.

6. Duties and responsibilities of the Director:-

(1) The Director shall be responsible for the day to day functioning of the Centre and shall be the custodian of the Centre. Without prejudice to the generality of this provision, the Director shall undertake the following:

(a) Initiate action in respect of any request for arbitration of disputes in accordance with the Rules of the Centre.

(b) Notify the parties to comply with the requirements of filing of the Request and Reply and the submission and payment of Arbitrators fees and miscellaneous expenses, within the prescribed time frame.

(c) Maintain and update from time to time a profile of each Arbitrator on the Panel of the Centre, and make it available in the public domain.

(d) Maintain a fact sheet of each arbitration case on the basis of the order sheet maintained by the Arbitral Tribunal.

(e) To call upon the parties to deposit the assessed Arbitrator's Fee and all other costs and expenses of the Centre.

(f) To assess the costs to be awarded by the Arbitral Tribunal.

(g) To take steps as may be necessary for timely completion of arbitration proceedings.

(h) Carry out any directions given by the Board of Governors from time to time.

(i) To organize workshops, conferences, symposia, seminars, etc., in the field of Alternative Dispute Resolution mechanism and to promote the use of the Centre for resolution of the disputes on the directions of the Board of Governors.

(2) The Director is hereby authorised to sue or be sued on behalf of the Centre.

(3) All correspondence and communications to the Centre shall be addressed to the Director and all correspondence and communications on behalf of the Centre shall be made by the Director.

7. Duties of Research Assistants:-

(1) Research Assistants shall carry out the duties as may be fixed by the Board of Governors of the Arbitration Centre.

(2) The Research Assistants shall work under the supervision of the Director and the Deputy Directors.

PART - III
PANEL OF ARBITRATORS

8. Panel of Arbitrators :-

(1) The Board of Governors may constitute a Panel of Arbitrators from amongst persons who are eligible and willing to act as Arbitrators. All such persons are required to furnish a full curriculum vitae in the prescribed form.

(2) The Directorate shall maintain a Panel of Arbitrators together with information as to their qualifications, experience and current availability.

(3) The Board of Governors may, at any time, add any new names to the Panel or remove the name of any person from the Panel as per the due procedure.

PART - IV
ARBITRATION PROCEDURE

9. Reference to Arbitration:-

(1) Where parties to a contract have agreed that any dispute or difference which may arise or has arisen, out of or in relation to a contract, shall be referred to Arbitration in accordance with these rules, approach the Centre, the same shall be referred accordingly.

(2) Where the parties sign a joint memorandum agreeing that their dispute shall be referred to Arbitration in accordance with these Rules or when the same is so referred through any proceedings in any Court, including:

(a) Where the Court refers the dispute under Section 89 of the Code of Civil Procedure, 1908;

or

(b) Where the Chief Justice or his designate or any Court appoints an Arbitral Tribunal and directs that the arbitration shall be conducted under the aegis of the Centre or in accordance with its rules;

(c) Where parties to any International contract, have agreed to submit their disputes or differences to Arbitration in accordance with these rules.

10. Request for Arbitration:-

(1) Any person desirous of initiating arbitration under these rules, shall submit his request to the Directorate with a copy marked to the adversary party.

(2) The request shall contain the following information:

(a) name in full, description, contact details and address of each of the parties, complete details including e-mail addresses, if any;

(b) a brief description of the nature and circumstances of the dispute giving rise to the claim;

(c) statement of the relief sought, including an indication of any amount claimed along with supporting documents, if any;

(d) relevant agreements and, in particular, an extract of the written arbitration clause or the deed of arbitration agreement, if separately contained.

(e) provisional Terms of Reference and the issues to be adjudicated;

(f) all relevant particulars concerning the Arbitrators, their number, qualifications, if any, prescribed in the arbitration agreement on which parties have already agreed in writing;

(g) statements as to the applicable Rules or laws, if any, and the language in which the arbitration is to be conducted, and

(h) the order of the Court, if any, passed in proceedings referred to in these Rules, along with a signed joint memorandum.

(3) The party making such request, shall file his Statement of Claim and documents if any, along with the request, or within fifteen days thereof or within such time, as may be specified by the Director.

(4) On receipt of the claim statement, the Directorate shall scrutinize the same and if found in order, he shall take the same on record as the Statement of Claim.

(5) The claimant shall submit sufficient number of copies of the Request and the Statement of Claim and documents if any being one copy for the Centre, one copy for each Arbitrator (if the number of Arbitrators is mentioned in the arbitration agreement) and one copy for each Respondent.

(6) The Claimant shall also make a tentative advance payment of his share of the administrative and miscellaneous expenses and also the Arbitrator's fee, as the Director may indicate.

(7) In the event the Claimant fails to comply with any of the aforesaid requirements, the Director may fix a time limit within which the Claimant shall comply, failing which, the file shall be deemed to be closed. However, it is open for the Claimant to submit the claim afresh in accordance with law.

(8) The Director shall send a copy of the Request, Statement of Claim and the documents if annexed thereto, at the earliest to the respondent for his Reply to the Request.

11. Filing of Counter Statement:-

(1) On receipt of the Statement of Claim from the Centre, the respondent shall submit his written Counter Statement to the Centre within 30 (thirty) days along with the following:

(a) his name in full, description, contact details and address;

(b) confirmation or denial of all or part of the Claim made by the Claimant in the Statement of Claim;

(c) comments in response to the nature and circumstances of the dispute giving rise to the Claim contained in the Request;

(d) response to the relief sought in the Request;

(e) statement describing the nature and circumstances giving rise to any Counter-Claim, if any, including all relevant or supporting documents;

(f) provisional "Terms of Refererence" and the issues to be adjudicated;

(g) comments, if any, concerning the number of Arbitrators and their choice in the light of the Claimant's proposals; and

(h) Statements, if any, as to the applicable Rules or law and the language to be used in conducting the arbitration proceedings;

(2) The Director may, on sufficient grounds in writing explaining the delay, grant an extension of time for filing Counter Statement and Counter-Claim, if any, to the Respondent, upon payment of such costs as may be deemed appropriate and within such time as may be specified;

Provided, that the request for extension of time shall be entertained only once and such extension shall not exceed thirty days. If the Respondent fails to file his Counter Statement and Counter Claim, if any, the Director shall proceed further in accordance with the Rules.

(3) Failure of the Respondent to file his Counter Statement and Counter-Claim, if any, within the time stipulated or the extended time shall constitute a waiver of the Respondent's right to file the Reply.

(4) Copies of the Counter Statement and Counter-Claim, if any, shall be supplied to the Directorate in sufficient number, namely, one copy for the Centre, one copy to each Arbitrator (if the number of Arbitrators is mentioned in the arbitration agreement) and one copy to the Claimant and one copy to each of the other party or parties.

(5) Within three weeks of receipt of Counter Statement the Claimant may file a Rejoinder failing which his right to file a Rejoinder shall stand forfeited unless the Director, for reasons to be recorded in writing on the application of parties, extends time for filing a Rejoinder by a period not exceeding two weeks.

(6) In the event of the Respondent making a Counter-Claim, he shall make a tentative advanace payment of his share of the Arbitrator's fee and administrative and miscellaneous expenses, as the Director may determine.

(7) A copy of the Counter Statement and Counter-Claim, if any, and the documents annexed thereto shall be communicated by the Director to the Claimant and each of the other party or parties.

(8) The Claimant shall file a Counter Statement to the Counter-Claim, if any, within 30 (thirty) days from the date of receipt of the Counter-Claim;

(9) The Director may, on sufficient grounds in writing explaining the delay, grant an extension of time to the Claimant for filing Counter Statement to the Counter-Claim, upon payment of such costs as may be deemed appropriate and within such time as may be specified;

Provided, that the request for extension of time shall be entertained only once and such extension shall not be beyond 30 (thirty) days.

(10) Failure of the Claimant to file any Counter Statement to the Counter-Claim within the time stipulated or the extended time shall constitute a waiver of the Claimant's right to file the same.

(11) Within three weeks of receipt of the Counter Statement to the Counter-Claim, the Respondent may file a Rejoinder failing which his right to file a Rejoinder shall stand forfeited unless the Director, for reasons to be recorded in writing on the application of parties, extends time for filing a Rejoinder by a period not exceeding two weeks.

12. Discovery and Inspection of Documents: -

The parties are entitled to seek discovery and inspection of documents by making an application at the earliest to the Director and on such application being filed, the Director may call upon the other party to produce such document for inspection which shall be done within 15 (Fifteen) days from the date of the receipt of such direction unless the party has a good reason for non-production of the document. The time prescribed for filing of pleadings as provided herein above shall stand extended by the time taken for discovery and inspection.

13. Authority to represent and assist the party:-

(1) Each party shall inform, in writing, the other party and the Director of -

(a) the name and address of the person who will represent or assist him or her, and

(b) the capacity in which such person will act.

(2) Once the Arbitral Tribunal has been established, the parties or their representatives shall communicate in writing directly with the Arbitral Tribunal, with a copy of the communication addressed to the Directorate, for information, wherever necessary.

14. Notices and Communications:

All notices or communications from the Director and the Arbitral Tribunal shall be in writing and deemed to have been duly delivered when sent to the last known address of the party or the duly notified representative of such party. Such notice or communication may be made by any one of the following modes, namely, delivery against receipt, registered post, courier, facsimile transmission, telex, or any other means of electronic communication that provides a record of such communication.

15. Appointment of Arbitrators:-

(1) The parties to a dispute are free to determine the number of Arbitrators, provided that such number shall not be an even number.

(2) Failing the determination referred to in sub-rule (1) above, the reference shall be to a sole Arbitrator.

(3) Where the agreement provides for the appointment of a sole Arbitrator, the parties shall appoint such Arbitrator from amongst the members on the Panel of Arbitrators, within thirty days of intimation of filing of the Request. Where the parties fail to agree upon the sole Arbitrator from the Panel within the said period, the President, in consultation with the Board of Governors, shall appoint a sole Arbitrator.

(4) Where the agreement provides for appointment of three Arbitrators, the Claimant and Respondent shall appoint one Arbitrator each, within thirty days and in the event of their failure to do so, the President, in consultation with the Board of Governors, shall appoint a sole Arbitrator from the Panel and such appointment shall be deemed to be a reference to a sole Arbitrator.

(5) Where the agreement provides for appointment of three Arbitrators, and in the event of there being no unanimity amongst the two named Arbitrators, in respect of appointment of the third Arbitrator, the President, in consultation with the Board of Governors, shall appoint such third Arbitrator from the Panel.

(6) The parties shall have the choice of Arbitrators, from the Panel. The appointment, however, is subject to the consent and availability of such Arbitrator. In no case shall an Arbitrator on the Panel be available/ appointed if he is already acting as an Arbitrator, in six matters pending adjudication and which are referred under these Rules.

16.Multi-party Arbitration:-

Where disputes involve more than two parties and involve a series of interconnected contracts, the parties may agree for arbitration by an Arbitral Tribunal consisting of three or more odd number of Arbitrators, and may, by mutual agreement, decide as to the appointment of Arbitrators, failing which, the President in consultation with the Board of Governors shall appoint the desired number of Arbitrators.

17. Consent of Arbitrators :

(1) Soon after the selection of Arbitrators, the Director shall send an official communication to that effect to the parties and to the Arbitrators. The Arbitrators so chosen shall give their consent in writing to the parties with a copy to the Centre.

(2) In the event of any party having an objection to the nomination of the Arbitrator or Arbitrators made by the President, any such objection shall be lodged, in writing, with the Directorate within seven days from the date of receipt of such intimation of nomination and the Board of Governors, shall consider the same and pass appropriate orders.

(3) In the event of any circumstance not being provided for herein above, the President, in consultation with the Board of Governors, shall have the power to determine number of Arbitrators and the Arbitrators to be appointed from the panel of Arbitrators in order to expedite the arbitration proceedings. The parties, however, shall be heard before any such orders are passed by the President.

18. Terms of Reference and Arbitration Schedule:-

(1) On appointment of Arbitral Tribunal, the Directorate shall compile the documents and pleadings (i.e., Claims statement, counter statement and Rejoinder, counter claim, reply to counter claim and Rejoinder) and provisional Terms of Reference, if any, furnished by the parties, and send it to the Arbitral Tribunal (one copy to each arbitrator, where there are more than one arbitrator) and within fifteen days from the date of the receipt of the same, the Arbitral Tribunal shall draw up a document defining the Terms of Reference.

(2) Soon after the Terms of Reference have been drawn up by the Arbitral Tribunal, the Directorate shall prepare, in consultation with the Arbitral Tribunal and the parties, a timetable for the conduct of the arbitration and shall communicate it to each of them. The time-table shall specify:

(a) the period within which the parties would file statement of witnesses by way of affidavit which shall be treated as their depositions made in examination-in-chief.

(b) the dates when the Arbitral Tribunal shall record oral evidence to be adduced by the parties by way of cross examination of the witnesses who have tendered their affidavit evidence (treated as their deposition in examination-in-chief deposition) and such other oral depositions as the Arbitral Tribunal may permit.

(c) the dates when the parties would address their arguments before the Arbitral Tribunal.

(3) The time-table so fixed shall remain firm and binding on all concerned.

(4) The Arbitral Tribunal shall communicate the time-table through the Director and also the time period for publication of the Award.

(5) In the absence of any specific provision in these Rules, the parties are free to agree on the procedure to be followed by the Arbitral Tribunal in conducting its proceedings.

(6) Failing any agreement between the parties about the procedure to be followed, the Arbitral Tribunal may conduct the proceedings in the manner it considers appropriate.

(7) The power of the Arbitral Tribunal includes the power to determine the admissibility and relevancy of any evidence.

(8) The Arbitral Tribunal may, where necessary, secure agreement of parties to dispense with formal proof of documents, except in case of questioned documents.

19. Consolidation of Proceedings: -

On the date fixed for framing of the Terms of Reference, the Arbitral Tribunal may, with the consent of the parties, direct consolidation of two or more arbitral proceedings before it, if the disputes or differences therein are identical and between the same parties or between parties having commonality of interest or where such disputes arise out of separate contracts but relate to the same transaction.

20. Additional Claims or Counter-claims:

After the Terms of Reference have been approved/ drawn up by the Arbitral Tribunal, no party shall make any Additional Claim or Counter-Claim which falls outside the limits of the Terms of Reference unless it has obtained authority to do so from the Arbitral Tribunal and the Arbitral Tribunal shall consider the nature of such new Claim or Counter-Claims, having due regard to the stage of the arbitration and other relevant circumstances and issue necessary orders.

21. Hearing procedure:

(1) Unless agreed between the parties in writing the Arbitral Tribunal shall hold oral hearings.

(2) Unless the Arbitral Tribunal decides to undertake site inspection or holds hearings in such other places for any reason as it may deem necessary all hearings shall take place in the centre at Hyderabad or any other centre established as per these rules.

(3) All meetings and hearings shall be in camera unless the parties desire otherwise or the Arbitral Tribunal directs otherwise.

(4) After the conclusion of evidence and hearing the Arbitral Tribunal shall pronounce the Award on a date which shall be intimated through the Directorate.

22. Settlement of Dispute:-

(1) The Arbitral Tribunal may encourage settlement of the disputes with the agreement of parties.

(2) The parties are free to opt for either mediation or conciliation at any time during the pendency of the proceedings before the Arbitral Tribunal. In such an event, the matter may be referred to mediation or conciliation at the discretion of the Arbitrators.

(3) If, during the arbitration proceedings, the parties settle the dispute, the Arbitral Tribunal shall terminate the proceedings, but if requested by the parties and at their discretion, record the settlement in the form of an Arbitral Award on agreed terms.

PART - V
TIME SCHEDULE FOR THE ARBITRATION

23. Duration of arbitral proceedings:-

(1) Normally, all arbitration proceedings through the medium of the Centre shall be concluded within a period of 90 (Ninety) days from the date of communication of the time table to the parties as per Rule 18(2) herein above. Except that in cases involving complicated and contentious issues, the period may stand extended by the Arbitral Tribunal for a period not exceeding 30 (thirty) days, by mutual consent of the parties.

(2) In exceptional circumstances, the President in consultation with the Board of Governors, on the request of the parties and the Arbitral Tribunal, shall have the powers to extend the time.

PART - VI
RULES OF PROCEDURE

24. Default of Parties:-

(1) If any party to an arbitration agreement fails to participate in the arbitration proceedings at any stage before the signing of terms of reference, then such party shall be set ex-parte and a notice to this effect shall be sent to the defaulting party along with a copy to the other party or parties.

(2) If any confirming party refuses or fails to take part in the arbitration proceedings, such party shall be placed ex-parte by the Arbitral Tribunal and a notice to this effect shall be issued to such party. However, this shall not preclude such party from participating in any subsequent proceedings of the Arbitration with the leave of the Tribunal, on such terms as it may impose.

25. Default of Arbitrators:-

When, after the constitution of the Arbitral Tribunal, an Arbitrator fails to participate in two hearings, without sufficient cause, his mandate to act as an Arbitrator shall stand terminated and the President in consultation with the Board of Governors shall appoint another Arbitrator in consultation with the parties and the newly appointed Arbitrator shall continue the proceedings from the stage at which it stood prior to substitution of the Arbitrator.

26. Appointment of Experts :

(1) The Arbitral Tribunal may, unless otherwise agreed by the parties in writing:

(a) appoint one or more experts to report to it on specific issues to be determined by the Arbitral Tribunal, and

(b) require a party to give the expert any relevant information or to produce, or to provide access to, any relevant documents, goods or other property for inspection.

(2) If a party so requests or if the Arbitral Tribunal deems it necessary, the expert shall, after delivery of his written or oral report, participate in an oral hearing where the parties have the opportunity to examine the witness as regards his or her report.

(3) The expert shall, on the request of a party, make available to that party, for examination all documents, goods or other property in the possession of the expert with which he was provided in order to prepare his report.

(4) The fees and costs of any expert appointed by a party shall be borne by the party appointing him. If the expert is appointed by the Arbitral Tribunal, the fees and costs of such appointment, unless otherwise directed by the Arbitral Tribunal, shall be shared equally by all the parties.

27. Application for adjournment:-

(1) Any party including the Union or the State Government or its instrumentalities seeking adjournment or change in the timetable fixed for the arbitration proceedings shall file a written request, supported by reasons and documents, if any, and the Arbitral Tribunal may grant the same after recording its reasons in writing and subject to payment of costs to the Centre as determined.

(2) The Arbitral Tribunal shall however keep in view the time schedule fixed for completion of the arbitration proceedings while considering the prayer for adjournment.

(3) For removal of doubts, it is clarified that the Arbitral Tribunal may, in addition to the above costs payable to the Centre, may also determine costs payable, by the party seeking adjournment, to the opposite party or parties.

28. Deposits: -

(1) The Director may require the parties, before referring the case to the Arbitral Tribunal, to deposit in advance in one or more installments, such sums of money as he deems necessary to defray miscellaneous expenses and the Arbitrator’s fee.

(2) The deposits shall be called for in equal share from the Claimants and the Respondents. The Director may, during the course of the arbitration proceedings, require further sums to be deposited by the parties or anyone of them to meet the costs of the arbitration.

(3) When one of the parties neglects or refuses to make the deposit, the Director may require such deposit, whether in relation to a Claim or a Counter-Claim, to be made by the other party to the dispute (Claimant or Respondent as the case may be) and costs so deposited shall follow the cause.

(4) The Arbitral Tribunal shall proceed only in respect of those Claims or Counter- Claims for which the deposits have been duly paid to the Centre and otherwise may order the suspension or termination of the arbitral proceedings.

(5) All deposits towards administrative expenses, miscellaneous expenses and Arbitrator’s fee shall be made through the Centre and no payment shall be made directly to the Arbitrators, by the parties. The deposit made by the parties shall be taken into account by the Arbitral Tribunal in apportioning the costs while making the Arbitral Award. Any deposit made in excess shall be refunded to such party as the Arbitral Tribunal may direct.

(6) The Centre shall have a lien on the Arbitral Award for any unpaid costs and fees of the arbitration.

(7) All the deposits towards the administrative expenses, other expenses and the Arbitrator’s fee shall be paid by the parties in the form of Demand draft or Pay Order drawn in favour of the Director, Arbitration Centre.

(8) The Director shall decide any dispute, as between the parties, regarding the quantum, the liability or any other issue regarding the deposit of the administrative and miscellaneous expenses and such decision shall be final.

29. Arbitrators Fees:-

Sums in Dispute	Fees
Upto Rs. 10,00,000/- (Rupees Ten Lakhs only)	Rs.50,000/- (Rupees Fifty thousand only)
Above Rs. 10,00,000/- (Rupees Ten lakhs only) upto Rs.40,00,000/- (Rupees Forty Lakhs only)	Rs.75,000/- (Rupees Seventy five thousand only)
Above Rs.40,00,000/- (Rupees Forty Lakhs only) upto Rs. 1,00,00,000/- (Rupees One Crore only)	Rs.75,000/- (Rupees Seventy Five Thousand Only) plus 1% of the claim over and above Rs.40,00,000/- (Rupees Forty Lakhs only) subject to a maximum fee of Rs. 1,00,000/- (Rupees One Lakh only)
Above Rs. 1,00,00,000/- (Rupees One Crore only) upto Rs. 10,00,00,000/- (Rupees Ten Crores only)	Rs. 1,00,000/- plus 1% of the claim over and above Rs. 1,00,00,000/- (Rupees One Crore only) subject to a maximum fee of Rs.4,00,000/- (Rupees Four Lakhs only)
Above Rs. 10,00,00,000/- (Rupees Ten Crores only) upto Rs.20,00,00,000/ Twenty Crores only)	Rs.4,00,000/- plus 1% of the claim over and above Rs. 10,00,00,000/- (Rupees Ten Crores only) subject to a maximum fee of (Rupees Rs.6,00,000/- (Rupees Six Lakhs only)
Above Rs.20,00,00,000/- (Rupees Twenty Crores only)	Rs.6,00,000/- plus 1% of the claim over and above Rs.20,00,000/- (Rupees Twenty Crores only) subject to a maximum fee of Rs.8,00,000/- (Eight Lakhs only)

Note:-

(1) Any Claim or dispute which is not valued in terms of money, shall attract a minimum fee of Rs. 1,00,000/- (Rupees One Lakh only). Any fee in excess of the same shall be as agreed upon by the parties.

(2) In the event of claim and counter-claim, the Arbitrator's fee shall be calculated on the aggregate of the claim and counter-claim.

(3) The fee fixed above is in respect of a single Arbitrator. The fee at the same rate shall be payable to any additional Arbitrator.

(4) In the event of an Arbitrator chosen from the Panel of Arbitrators is from a place other than Hyderabad, the party nominating such Arbitrator, shall alone bear all expenses of such Arbitrator, apart from the fee payable as per the schedule, for his participation in the Arbitration proceedings.

29.1 The aforestated fee table will be applicable in cases where the Arbitrator(s) has/have been appointed either by the Court or under these Rules. In cases where the Arbitrator(s) has/have been appointed under the Arbitration Agreement entered into by and between the parties to the dispute and the Agreement provides for the Arbitrator(s) fee, the same shall apply and not the aforestated fee table. However, it is made clear that these Rules shall apply in all other respects.

30. Administrative Expenses :

The parties shall deposit Administrative Expenses as indicated below, before the dispute is referred to the Arbitral Tribunal:

If the value of the claims/disputes does not exceed Rs.50,00,000/ (Rupees Fifty Lakhs only)	Rs.l0,000/-(Rupees Ten Thousand only)
If the value of the claims/disputes is between Rs.50,00,001/ (Rupees Fifty Lakhs and One only) and Rs.5,00,00,000/- (Rupees Five Crores only)	Rs.20,000/-(Rupees Twenty Thousand only)
If the value of the claims/disputes exceeds Rs.5,00,00,000/ (Rupees Five Crores only)	Rs. 30,000 (Rupees Thirty thousand only)

Note: Any Claim or dispute which is not valued in terms of money, shall attract a minimum deposit of Rs. 20,000/- (Rupees Twenty Thousand only).

In addition to the administrative expenses as above, the parties shall also pay a sum of Rs.3,000/- (Rupees Three Thousand only) per day (irrespective of the duration of the sitting on a given day) for the use of the facilities of the Centre on the days the Arbitral Tribunal holds its sittings. The above expenses shall be shared by all the parties, equally.

The Government of India and the Government of Andhra Pradesh & Telangana are exempted from payment of Administrative Expenses and Other Miscellaneous Expenses. The Board of Governors, at their discretion, may exempt such other entity from payment of the above expenses.

31. Additional Fees and Expenses:-

The Arbitral Tribunal shall be entitled to allow fees and expenses of witnesses, carriage of sample and examination of goods, if required, conveyance, hire, cost of legal or technical advice or proceedings in respect of any matter arising out of the arbitration incurred by the Arbitral Tribunal, and any other incidental expenses and charges in connection with or arising out of the reference or award as the Arbitral Tribunal shall, in its absolute discretion, think fit and the same shall form part of the Arbitral Award.

32. Form and contents of Arbitral Award :

(1) An Arbitral Award shall be made in writing and shall be signed by the members of the Arbitral Tribunal.

(2) For the purposes of sub-rule (1), in arbitral proceeding with more than one Arbitrator, the signatures of the majority of all the members of the Arbitral Tribunal shall be sufficient so long as the reason for any omitted signature is stated.

(3) The Arbitral Award shall state the reasons upon which it is based, unless :

(a) The parties have agreed that no reasons are to be given,

or

(b) The Award is an Arbitral Award on agreed terms of these Rules.

(4) The Arbitral Award shall state its date and the place of arbitration and the Award shall be deemed to have been made at that place.

(5) After the Arbitral Award is made, a signed copy shall be delivered to each party, by the Directorate.

(6) The Arbitral Tribunal may, at any time during the arbitral proceedings, make an interim Arbitral Award on any matter with respect to which it may make a final Arbitral Award.

(7) In case of monetary claims the Award shall specify the amount awarded.

(8) Unless otherwise agreed by the parties:

(a) The costs of an arbitration shall be fixed by the Arbitral Tribunal.
(b) The Arbitral tribunal shall specify :

(I) The party entitled to costs
(II) The party who shall pay the costs
(III) The amount of costs or the method of determining that amount, and
(IV) The manner in which the costs shall be paid.

Explanation - For the purpose of clause (a), “costs” means reasonable costs relating to :

(1) The fees and costs of the Arbitrators and witnesses.
(2) Legal fees and expenses.
(3) The miscellaneous Expenses.

(4) Any other expenses incurred in connection with the arbitral proceeding and the arbitral award.

33. Termination of proceedings:-

(1) The arbitral proceeding shall be terminated by the final Arbitral Award or by order of the Arbitral Tribunal under sub-rule(2)

(2) The Arbitral Tribunal shall issue an order for the termination of the arbitral proceedings where :

(a) The Claimant withdraws his Claim unless the Respondent objects to the order and the Arbitral Tribunal recognizes a legitimate interest on his part in obtaining a final settlement of the dispute.

(b) The parties agree on the termination of the proceedings.

(c) The Arbitral Tribunal finds that the continuation of the proceedings has, for any other reason, become unnecessary or impossible.

PART - VII

GENERAL PROVISIONS

34. Accounts of the Centre :

Accounts of the Centre shall be maintained as per the Income Tax Act, 1961, as amended from time to time and Rules and Circulars issued there-under and by the Government.

35. Interpretation and Scope of these Rules :

In the event of any doubt arising with regard to interpretation of these Rules, the decision of the Board of Governors shall be final.

36. Amendment of Rules :

These Rules may be amended by the High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh from time to time.

Hyderabad,
Dated : 30-12-2016.

CH. MANAVENDRANATH ROY,
Registrar General.

SCHEDULE - I

JOINT MEMORANDUM OF THE PARTIES TO THE ARBITRATION:

We hereby agree that the dispute, which has arisen in respect of our contract............... ....(give details) dated................. is hereby referred to arbitration in accordance with the Arbitration Centre (Domestic and International), High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh Rules 2015.

In witness whereof this agreement has been signed on this the......................... day of ....2015 at.......................................by:

1st party 2nd party

SCHEDULE - II

ARBITRATOR'S CONSENT TO NOMINATION

I .... hereby accept the nomination as Arbitrator and to enter upon the reference to adjudicate the dispute in case No..of the Arbitration Centre (Domestic and International), High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh and to abide by the rules of the centre.

Place..............................

Date...............................

Signature of Arbitrator.

SCHEDULE - III

CURRICULUM VITAE OF THE ARBITRATOR

For use of Arbitration Centre (Domestic and International), High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh.

Affix
Photograph

1. Name :

2. Date of birth:

3. Address with contact Nos. and email :

4. Qualifications and experience:
(additional information if any may be supplemented)

Place :

Date :

Signature:

Personal Address:______________________________

____

Telephone

:____